

Adams, Hope

From: Wessinger-Hill, JoAnne
Sent: Monday, July 26, 2021 10:47 AM
To: Hall, Roger; Grube-Lybarker, Carri; John J. Pringle, Jr.; Heather Smith; Heather Smith; Pittman, Jenny; fellerbe@robinsongray.com; fellerbe@robinsongray.com
Cc: PSC_Contact; Besley, Sharon
Subject: RE: Cross Examination Exhibit -- DN 2020-263-E
Attachments: Active_148007581_1_Hanson Cross Exhibit 2 - 10-31-18 Letter delivering Avoided Costs.PDF; DEC DEP Hanson Cross Exhibit 2.PDF

Parties:

Attached is a copy of the Cross Examination Exhibit of Duke regarding Witness Hanson.

Jo Anne

C. Jo Anne Wessinger Hill, Esq.
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From:	/o=exchangelabs/ou=exchange administrative group (fydibohf23spdlt)/cn=recipients/cn=b04989de67834f3d867a87701c176ff2-ot05529 (35)
To:	Aaron Pupa (APupa@spower.com) <APupa@spower.com>
CC:	David J. Marshall (DMarshall@LSPower.com) <DMarshall@LSPower.com>; Rios Jr., Martin <Martin.Rios@duke-energy.com>; Dunn, Kathy <Kathy.Dunn@duke-energy.com>; Johnson, David B (David.Johnson@duke-energy.com) <David.Johnson@duke-energy.com>; DERContracts <DERContracts@duke-energy.com>
Subject:	Cherokee's Request for DEC's Avoided Costs
Sent:	2018/10/31 19:18:28 (UTC +00:00)
Attachments:	Cherokee Letter 10 31.pdf; image001.wmz

Aaron,

The attached cover letter and draft PPA were sent to Carolyne Murff via priority mail today. Please let me know if you have any questions. Thank you.

Michael Keen
Business Development Manager
Duke Energy
Office 727.820.4500
Mobile 727.424.2665





October 31, 2018

Via Email and Priority Mail

Ms. Carolyn Murff
Senior Vice President
Cherokee County Cogeneration Partners, LLC
1700 Broadway, 35th Floor
New York, NY 10019

Re: Cherokee County Cogeneration Partners, LLC ("Cherokee") - Request for Avoided Costs of Duke Energy Carolinas, LLC ("DEC")

Dear Ms. Murff:

DEC recognizes Cherokee's desire to commence negotiations prior to the termination of the existing power purchase agreement ("PPA") between the parties which expires on December 31, 2020. As requested, DEC's indicative avoided costs as of September, 2018 are specified below.

The rates included below have been calculated using DEC's standard system methodology for Qualifying Facilities based on DEC's September, 2018 system costs. Rates are levelized for the five year term beginning on January 1, 2021. There is no capacity component because DEC does not identify a capacity need in its Integrated Resource Plan ("IRP") until 2028. The pricing is based on the energy being delivered into DEC on a firm basis.

START DATE	January 1, 2021
TERM	5 years
ON-PEAK ENERGY PRICE	\$40.71/MWh
OFF-PEAK ENERGY PRICE	\$33.50/MWh


The summer months on-peak hours are 1:00 pm to 9:00 pm, Monday through Friday. The non-summer months on-peak hours are 6:00 am to 1:00 pm. The summer months are June, July, August and September. All other months are considered to be non-summer months. All hours of the following holidays are considered off-peak: New Year's Day, Good Friday,

Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day.

Also, please find attached a draft Power Purchase Agreement (the "Draft PPA") for your review. If you desire to proceed with this transaction please include the seller's contact information and complete Exhibits 1, 4 and 5. When we receive this information we will prepare an execution copy. The avoided cost pricing included in this letter is available until December 31, 2018. All information included in this letter is considered confidential and protected under the confidentiality agreement executed by both parties on October 11, 2018.

Please feel free to contact me at (727) 820-4500 if you have any questions.

Sincerely,


Michael T. Keen
Duke Energy
Business Development Manager

Attachment

Cc:
David J. Marshall
LS Power
1700 Broadway, 35th Floor
New York, NY 10019